Phone: (803) 737-0800

inelson@regstaff.sc.gov

## Jeffrey M. Nelson Chief Counsel & Director of Legal Services

July 6, 2018

## **VIA ELECTRONIC FILING**

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Application of Duke Energy Carolinas, LLC for Approval to Issue and Sell Securities

**Docket No: 2018-218-E** 

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") has reviewed and does not oppose the filing submitted by Duke Energy Carolinas, LLC ("DEC" or "the Company") requesting approval of its application to issue and to sell a maximum of \$4.0 billion aggregate amount of securities. The authority to incur debt requested in the application would replenish previously granted authority already used and would replace any remaining currently unexhausted authority.

The authority requested would comprise four general types of issuances and obligations: (1) long term borrowing, such an unsecured debt or First and Refunding Mortgage Bonds; (2) long term bank borrowing under DEC's Master Credit Facility Agreement; (3) tax exempt bond obligations; and (4) lease financing obligations. The Company additionally requests to use interest-rate management agreements in connection with its debt that include various hedging and related products as has been granted previously.

Duke's request in its Application will not involve a change to any retail rates or prices at this time or require any change in any Commission rule, regulation, or policy nor will the issuance of the requested accounting order prejudice the right of any party to address the prudency of

Letter – Jocelyn G. Boyd, Esquire Page 2 of 2 July 6, 2018

Power/Forward Carolinas, Competitive Procurement of Renewable Energy and Green Source Advantage Programs, and Coal Ash Basin Closure Costs as referenced in Section 9 of the filing beginning on page 12.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Jeffrey M. Nelso

cc: Joseph Melchers, Esquire (via E-mail)

Heather Shirley Smith, Deputy General Counsel

Frank R. Ellerbe, III, Counsel